ANSARI): (a) Yes, Sir. The project was rejected from the environmental angle in October, 1987 due to non-availability of viable Action Plans for Catchment Area Treatment, Compensatory Afforestation, Command Area Development and Rehabilitation including land for land compensation. The project also involves diversion of forest land.

(b) No, Sir.

(c) Yes, Sir. The project is expected to provide irrigation and power and also supply water to the industrial complex at Vishakhapatnam.

Raising of freedom fighters' pension amount

*194. SHRI SHANTI TYAGI: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Government are considering to raise the amount of freedom fighters' pension; and

(b) if so, by when a decision is likely to be taken thereon?

THE MINISTER OF HOME AFFAIRS (SHRI BUTA SINGH): (a) and (b) No decision has been taken so far in this regard.

Recovery of dues from M/s. ITC Limited

*195. SHRI ISH DUTT YADAV:

SHRI VIRENDRA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Central Board of Excise and Customs had, in a circular issued on the 23rd April, 1988 directed all the Principal Collectors and Collectorate of Central Excise to issue demand notices to all the units of ITC;

(b) if so, when the demand notices were issued to ITC units, stating the amount involved;

(c) what follow-up action has been taken to recover the amount, stating the recovery made so far and the reasons for the non-recovery of the remaining dues; and

(d) the manner in which Government propose to recover the outstanding dues from ITC units?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) No such circular was issued on the 23rd April, 1988. However a circular dated 21st March, 1988 was issued to all Collectors of Central Excise communicating the advice of the Ministry of Law in regard to the determination of assessable value in cases where additional consideration is received by the manufacturer over and above the price charged. In respect of the cases against M/s I.T.C. Ltd. the Collectors were asked to take necessary action in the light of the advice of Ministry of Law.

(b) Demand notices were issued to the units of M/s. I.T.C. Ltd. as under:

Collectorate	Date of issue of demand notice	Amount of duty demanded (Rs. in crores approximately)
Meerut . .	28.4.1988	80.30
*Bangalore .	29.9.1987	27.58
Patna . .	16.6.1988	2.50
Calcutta . .	27.7.1988	0.47

*In Bangalore Collectorate the demand was issued before the issue of Circular dated 21.3.1988.

(c) An on account payment of Rs. 14.78 crores approximately has been made by M/s. I.T.C. Limited before issue of the circular dt 21.3.1988.

In respect of the demand issued to the ITC unit in Meerut Collectorate,

the company has filed a writ petition in the Allahabad High Court. The Collector has been asked to take effective and immediate steps to recover the dues.

In Bangalore Collectorate the recovery has been stayed by the Madras High Court.

In Patna and Calcutta Collectorates pursuasive action is being taken to recover the dues.

(d) Recovery of outstanding dues is a continuous process. Legal, administrative and other measures continue to be taken from time to time to recover the dues.

Interest charged on Agricultural Loans

*196. SHRI ASWANI KUMAR:

SHRI LAL K. ADVANI:

Will the Minister of FINANCE be pleased to state:

(a) whether loans are extended to the agricultural sector at a concessional interest rate of 4 per cent; and

(b) what is the State-wise actual rate of interest that the farmer is usually paying to the village societies which get loan through district level banks which in turn get reimbursement from Apex banks at about four per cent?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) The scheduled commercial banks provide loans at an interest rate of 4 per cent per annum under Differential Rate of Interest (DRI) Scheme. The loans under DRI Scheme cover activities falling in agricultural sector as well as in industry/service/business sectors. The general interest rates chargeable on crop loans from borrower farmers, however, vary from 10 per cent per annum to 15.5 per cent per annum depending upon the size of loan. The same interest rates are applicable to loans given by the Primary Agriculture Credit Societies (PACs) to farmer borrowers. As per guidelines issued by NABARD, the rate of interest chargeable by District Central Cooperative Banks from the PACs should not exceed 7.5 per cent per annum.

Income Tax raids in Tamil Nadu

*197. SHRI M VINCENT: Will the Minister of FINANCE be pleased to state:

(a) what is the number of searhces conducted by the Income Tax Department in Tamil Nadu during the last 12 months;

(b) what are the details of such searches pertaining to industrialists, businessmen, professionals and Government servants; and

(c) what are the details of unaccounted money and incriminating documents seized during these raids?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) During the period from 1st November, 1987 to 31st October, 1988, the Income-Tax Department conducted 497 searches in Tamil Nadu under section 132 of the Income-Tax Act These searches were conducted at the premises of 20 professionals and 149 businessmen/industrialists. The persons searched did not include any Government servant.

(c) During these searhces, *prima-facie*, unaccounted assets worth approximately Rs. 602.26 lakhs were seized, besides incriminating documents indicating tax evasion. During these searches, the persons searched have admitted undisclosed income of Rs. 1013.22 lakhs.